

**GOVERNMENT OF INDIA  
EXTERNAL AFFAIRS  
LOK SABHA**

STARRED QUESTION NO:117  
ANSWERED ON:08.12.2004  
REVIVING INDIAN BUSINESS IN NEPAL  
Saroj Shri Tufani

**Will the Minister of EXTERNAL AFFAIRS be pleased to state:**

- (a) whether some of the Indian companies have closed down in Nepal in view of the threats from Maoists;
- (b) if so, the details thereof;
- (c) whether the Union Government has held any talks with the Nepalese Government to pave the way for the revival of the business by the aforesaid companies there; and
- (d) if so, the details and the outcome thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMED)

(a), (b), (c) & (d) - A Statement is placed on the Table of the House.

STATEMENT REFERRED TO IN THE ANSWER TO THE LOK SABHA STARRED QUESTION NO.117, TO BE ANSWERED ON 08.12.2004, ON 'REVIVING INDIAN BUSINESS IN NEPAL'.

47 business units in Nepal temporarily shut down their operations in two stages - 12 units on August 16, 2004 and 35 units on September 10, 2004 - in response to a threat issued by the Maoist- affiliated All Nepal Federation of Trade Unions (ANFTU). These units had been specifically named and targeted by ANFTU. The six units with varying levels of equity investments from India were: Surya Nepal Private Limited; Hotel Soaltee Crowne Plaza; Surya Nepal Garments Pvt. Ltd.; Dabur Nepal's unit at Banepa; Bashulinga Sugar Mill; and Himal Goodricke tea garden.

2. Following the lifting of the threat by ANFTU on September 15, 2004, all these units resumed operations.

3. Separately, on August 28, 2004, three bombs were set off in the factory of Nepal Lever Ltd. (NLL), at Hetauda, Nepal. Hindustan Lever holds equity in NLL. There was no loss of life. Government of India strongly condemned this incident and held the Maoists directly responsible for this reprehensible act. His Majesty's Government of Nepal immediately provided security for the factory. After carrying out essential repairs, NLL resumed operations.

4. Government of India is closely monitoring the situation and is in regular contact with His Majesty's Government of Nepal (HMGN). Necessary measures have been put in place by HMGN to provide security for Indian enterprises. Our Embassy in Kathmandu is in regular touch with Indian business enterprises in Nepal. In addition, the Embassy is in contact with Nepalese chambers of commerce and is also coordinating its approach with Embassies of some other countries with significant business interests in Nepal.